



November 12, 2013

Honorable Jack Brandenburg  
Michigan Senator, 11<sup>th</sup> District  
Chair, Finance Committee  
Michigan State Senate  
PO Box 30036  
Lansing, Michigan 48909-7536

Dear Chairman Brandenburg and Members of the Senate Finance Committee:

I am writing to encourage passage of legislation to allow qualified economic development organizations to receive an exemption from property taxes for real and personal property owned for the purposes of economic development and redevelopment, if approved by the local governing body.

Battle Creek Unlimited (BCU) is a private, non-profit organization (501c3) which serves as the economic development organization for the City of Battle Creek. Since our establishment in 1972, property acquisition and assembly has frequently been a part of our strategy to reduce blight, vacancy, encourage redevelopment and prepare sites for new commercial, industrial and corporate office development. In our experience, properties are regularly held for multiple years while they are being marketed and/or improved for future economic development that benefits our city and Michigan. The cost of land assembly for economic development already creates challenges for us given the limited resources we typically have available. Property taxes associated with these properties increase the holding costs of such properties and create a deterrent for us to participate in land assembly strategies. Furthermore, paying property taxes on these properties can consume resources that would be better used towards marketing and improving the properties for future capital investments and job creation projects.

We support SB 536 and encourage its passage in order to remove significant barriers to redevelopment and re-use of the properties. Furthermore, we support the "local control" provisions of the proposed bill that will allow the local governing body to determine if granting such an exemption is in its best interest.

Sincerely,

Karl J. Dehn  
President & CEO

CC: Mike Nofs, Michigan State Senator  
Kate Segal, Michigan State Representative